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**UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK**

In re:

FAIRFIELD SENTRY LIMITED, et al.,

Debtors in Foreign Proceedings.

FAIRFIELD SENTRY LIMITED (IN LIQUIDATION) and FAIRFIELD SIGMA LIMITED (IN LIQUIDATION), acting by and through the Foreign Representatives thereof, and KENNETH KRYS and JOANNA LAU, solely in their capacities as Foreign Representatives and Liquidators thereof,

Plaintiffs,

-against-

ABN AMRO SCHWEIZ AG a/k/a ABN AMRO
(SWITZERLAND) AG, ADLER AND CO PRIVATBANK
AG, ALLIANZBANK SPA/UNIFORTUNE
CONSERVATIVE SIDE POCKET, ALTERNATIVE
INVESTMENT STRATEGIES, ARSENAL SPC, ARSENAL
SPC OBO GLASGOW SEG PORT, BANCA ARNER SA,
BANCA UNIONE DI CREDITO, BANK HAPOALIM
SWITZERLAND LTD., BANK JULIUS BAER & CO. LTD.,
BANK SARASIN & CIE, BANQUE CANTONALE
VAUDOISE, BANQUE CRAMER & CIE SA, BANQUE
SAFDIE SA, BARCLAY'S BANK PLC SINGAPORE
WEALTH a/k/a BARCLAYS BANK PLC, BBH LUX
GUARDIAN II a/k/a BROWN BROTHERS HARRIMAN,
BBH LUX REF FAIRFIELD GRN, BBVA (SUISSE) SA,
BCV AMC DEFENSIVE AL FUND, BNP PARIBAS
(SUISSE) SA, BNP PARIBAS (SUISSE) SA EX FORTIS,
BNP PARIBAS (SUISSE) SA PRIVATE, BSI AG, BSI EX
BANCA DEL GOTTARDO, CACEIS BANK

Chapter 15 Case

**Case No. 10-13164
(BRL)**

Jointly Administered

Adv. Pro. No. 10-03635
(BRL)

FIRST AMENDED COMPLAINT

1. This action and similar actions are brought by the Plaintiffs, with the approval of the BVI Court, to recover payments made to shareholders for the redemption of shares in the Funds prior to December 2008.

2

3. It is now known that these types of feeder funds were essential to the perpetration of Madoff's Ponzi scheme. In order for the Ponzi scheme to operate, Madoff required a continuous flow of new investors and investments to be able to satisfy redemption requests from early investors. Feeder funds, such as Sentry, brought new investors into this scheme, allowing Madoff to make payments to early investors and thereby creating and perpetuating the illusion that BLMIS was engaged in a successful investment strategy and actively trading securities.

4. From the Funds' inception until the disclosure of Madoff's fraud in December 2008, substantially all cash, net of fees and expenses, raised by the Funds through the sale of their shares were transferred (either directly in the case of Sentry or indirectly through Sentry in the cases of Sigma and Lambda) to BLMIS for investment in accounts managed by Madoff. Prior to December 2008, the voting, participating shares of Sentry (\$.01 par value per share), Sigma (€0.01 par value per share), and Lambda (CHF.01 par value per share) (the "Shares"), were redeemable for a price equal to the applicable Fund's "Net Asset Value." Net Asset Value was to be determined, in accordance with applicable accounting standards, as the value of the respective assets of Sentry, Sigma, and Lambda divided by the number of shares outstanding in each fund, net of certain expenses ("Net Asset Value").

5. From time to time, in order to make payments to investors for redemption of Shares (“Redemption Payments”), Sentry made withdrawals from its BLMIS accounts. At all relevant times, the Funds believed payments that Sentry received from BLMIS represented the proceeds of sales of securities and/or investments held by BLMIS for Sentry. The amount, per share, paid by the Funds to shareholders for each Share redeemed was to be equal to the per share Net Asset Value, which was calculated based on the assets that the Funds believed were being held, and investments that were being made, by BLMIS for Sentry’s account.

BLMIS. Thus, at all relevant times, the money that Sentry transferred to BLMIS was not invested, but, rather, was used by Madoff to pay other BLMIS investors or was otherwise misappropriated by Madoff for unauthorized uses. Further, none of the securities shown on statements provided to Sentry by BLMIS were in fact purchased for Sentry. Additionally, none of the amounts withdrawn by Sentry from its accounts with BLMIS were proceeds of sales of securities or other investments. Instead, such amounts represented the monies of more recent investors into the Madoff scheme.

scheme, at all relevant times the assets purportedly held at BLMIS for Sentry were non-existent, and the Funds were insolvent at the time Redemption Payments were made or they were rendered insolvent by those payments. As a result, at all relevant times, the Net Asset Value of the Shares redeemed was miscalculated, and Redemption Payments were mistakenly made for amounts far in excess of the actual Net Asset Value of Shares redeemed.

funds and investors were made by Madoff to perpetuate his Ponzi scheme and avoid detection of his fraud. Similarly, the Redemption Payments that the Funds made to redeeming shareholders were not made in the ordinary course of any business or for any legitimate purposes. Those Redemption Payments did not conform to or follow the terms of the Funds' Subscription Agreements, Articles of Association and/or other offering documents, as the source of these payments was not the sales of securities, or return of investments, as contemplated by those documents. Rather, the payments were derived from uninvested monies of other BLMIS investors or other uninvested deposits made by Sentry in BLMIS, but in either event, they

10. Upon information and belief, the Citco Defendants have either retained the Redemption Payments made to them by Sentry and Sigma for their own account and benefit or, alternatively, paid all or some portion of such payments to or for the account of persons or entities, including, but not limited to, ABN AMRO Schweiz AG a/k/a ABN AMRO (Switzerland) AG, Adler And Co Privatbank AG, Allianzbank SPA/Unifortune Conservative Side Pocket, Alternative Investment Strategies, Arsenal SPC, Arsenal SPC OBO Glasgow SEG

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JURISDICTION AND VENUE

8

the Subscription Agreements provide as follows:

New York Courts. Subscriber agrees that any suit, action or proceeding (“Proceeding”) with respect to this Agreement and the Fund may be brought in New York. Subscriber irrevocably submits to the jurisdiction of the New York courts with respect to any Proceeding and consents that service of process as provided by New York law may be made upon Subscriber in such Proceeding, and may not claim that a Proceeding has been brought in an inconvenient forum. Subscriber consents to the service of process out of any New York court in any such Proceeding by the mailing of copies thereof, by certified or registered mail, return receipt requested, addressed to Subscriber at the address of Subscriber then appearing on the Fund’s records. Nothing herein shall affect the Fund’s right to commence any Proceeding or otherwise to proceed against Subscriber in any other jurisdiction or to serve process upon Subscriber in any manner permitted by any applicable law in any relevant jurisdiction.

21. Furthermore, by executing the Subscription Agreements, the Citco Defendants agreed to all terms and conditions contained therein, including the express provision that any agreement made by the Citco Defendants in the Subscription Agreement would also apply to any other person for whom the Citco Defendants were subscribing as trustee, agent, representative, or nominee – i.e., all Beneficial Shareholders. Moreover, by executing the Subscription Agreements, the Citco Defendants represented that they had all requisite authority from Beneficial Shareholders to execute and perform any and all obligations on their behalf, and also agreed to indemnify Sentry and Sigma for any damages resulting from an assertion by a Beneficial Shareholder that the Citco Defendants lacked proper authorization to enter into the Subscription Agreement or perform the obligations thereof. Specifically, the Subscription Agreements provide as follows:

If Subscriber is acting as a Representative. If Subscriber is subscribing as trustee, agent, representatives, or nominee for another person (the “Beneficial Shareholder”), Subscriber agrees that the representations and agreements herein are made by Subscriber with respect to itself and the Beneficial Shareholder. Subscriber has all requisite authority from the Beneficial Shareholder to execute and perform the obligations hereunder. Subscriber also agrees to indemnify the Fund . . . for any and all costs, fees and expenses (including legal fees and

Defendants

29. Defendants “Beneficial Owners of the Accounts Held in the Name of CGC NA 1-1000” - i.e., the Beneficial Shareholders - are, as noted, any persons or entities having a beneficial ownership or interests in Shares of Sentry and Sigma issued to the Citco Defendants and on whose behalf the Citco Defendants were acting as trustee, agent, representative, or nominee (individually, a “Beneficial Shareholder” and collectively, “Beneficial Shareholders”).

13

with ABN AMRO Schweiz AG a/k/a ABN AMRO (Switzerland) AG. Upon information and belief, ABN AMRO Schweiz AG a/k/a ABN AMRO (Switzerland) AG is a corporate entity organized under the laws of Switzerland and has its registered address at Beethovenstrasse 33, CH-8002 Zurich, Switzerland.

31. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Adler and Co Privatbank AG. Upon Information and belief, Adler and Co Privatbank AG is a corporate entity organized under the laws of Switzerland and has its registered address at Claridenstreasse 22, CH-8022 Zurich, Switzerland.

32. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Allianzbank SPA/Unifortune Conservative Side Pocket. Upon information and belief, Allianzbank SPA/Unifortune Conservative Side Pocket is a corporate entity organized under the laws of Italy and has its registered address at Via Donizetti 53, Milan 20128, Italy.

33. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Alternative Investment Strategies. Upon information and belief, Alternative Investment Strategies is a corporate entity organized under the laws of Bermuda and has its registered address c/o Absolute Performance Ltd., Bamboo Gate, 11 Harbour Road, Paget PG 03, Bermuda.

34. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Arsenal SPC. Upon information and belief, Arsenal SPC is a corporate entity organized

36. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Banca Arner SA. Upon information and belief, Banca Arner SA is a corporate entity organized under the laws of Switzerland and has its registered address at Piazza Manzoni 8, CH-6901 Lugano, Switzerland.

38. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Bank Hapoalim Switzerland Ltd. Upon information and belief, Bank Hapoalim Switzerland Ltd. is a corporate entity organized under the laws of Luxembourg and has its registered address at 18 Boulevard Royal, 2449 Luxembourg.

39. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Bank Julius Baer & Co. Ltd. Upon information and belief, Bank Julius Baer & Co. Ltd. is a corporate entity organized under the laws of Switzerland and has its registered address at Hohlstrasse 602, CH-8010 Zurich, Switzerland.

40. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Bank Sarasin & Cie. Upon information and belief, Bank Sarasin & Cie is a corporate entity organized under the laws of Switzerland and has its registered address at Elizabethenstrasse 62, CH-4002 Basel, Switzerland.

41. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Banque Cantonale Vaudoise. Upon information and belief, Banque Cantonale Vaudoise is a corporate entity organized under the laws of Switzerland and has its registered address at Place St. Francois 14, CH-1001 Lausanne, Switzerland.

42. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Banque Cramer & Cie SA. Upon information and belief, Banque Cramer & Cie is a corporate entity organized under the laws of Switzerland and has its registered address at 20-22 Avenue de Miremont, P.O. Box 403, CH-1211 Geneva 12, Switzerland.

43. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Banque Safdie SA. Upon information and belief, Banque Safdie SA is a corporate entity

L'Ile, Case Postale 5415, 1211 11 Geneva, Switzerland.

44. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Barclay's Bank PLC Singapore Wealth a/k/a Barclays Bank PLC. Upon information and belief, Barclay's Bank PLC Singapore Wealth a/k/a Barclays Bank PLC is a corporate entity organized under the laws of Singapore and has its registered address at Level 28 One Raffles Quay, South Tower, Singapore 048583, Singapore.

45. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BBH Lux Guardian II a/k/a Brown Brothers Harriman. Upon information and belief, BBH Lux Guardian II a/k/a Brown Brothers Harriman is a corporate entity organized under the laws of Luxembourg and has its registered address at 2-8, Avenue Charles de Gaulle, Luxembourg L-2014, Luxembourg.

46. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BBH Lux Ref Fairfield GRN. Upon information and belief, BBH Lux Ref Fairfield GRN is a corporate entity organized under the laws of Luxembourg and has its registered address at 33 Boulevard Prince Henri BP 403, Luxembourg L-2014, Luxembourg.

47. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BBVA (SUISSE) SA. Upon information and belief, BBVA (Suisse) SA is a corporate

Zeltweg 63, 8021 Zurich, Switzerland.

48. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BCV AMC Defensive AL Fund. Upon information and belief, BCV AMC Defensive AL Fund is a corporate entity organized under the laws of Switzerland and has its registered address at Place St. Francois, CH-1001 Lausanne, Switzerland.

49. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BNP Paribas (Suisse) SA. Upon information and belief, BNP Paribas (Suisse) SA is a corporate entity organized under the laws of Switzerland and has its registered address at 2 Place de Hollande, Case Postale, CH-1211 Geneva, Switzerland.

50. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BNP Paribas (Suisse) SA Ex Fortis. Upon information and belief, BNP Paribas (Suisse) SA Ex Fortis is a corporate entity organized under the laws of Switzerland and has its registered address at 2 Place de Hollande, Case Postale, CH-1211 Geneva, Switzerland.

51. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BNP Paribas (Suisse) SA Private. Upon information and belief, BNP Paribas (Suisse) SA Private is a corporate entity organized under the laws of Switzerland and has its registered address at 2 Place de Hollande, Case Postale, CH-1211 Geneva, Switzerland.

52. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BSI AG. Upon information and belief, BSI AG is a corporate entity organized under the laws of Switzerland and has its registered address at Via Peri 23, CH-6901 Lugano, Switzerland.

53. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with BSI Ex Banca Del Gottardo. Upon information and belief, BSI Ex Banca Del Gottardo is a corporate entity organized under the laws of Switzerland and has its registered address at Viale S Franscini 8, CH-6900 Lugano, Switzerland.

54. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Caceis Bank Luxembourg. Upon information and belief, Caceis Bank Luxembourg is a corporate entity organized under the laws of Luxembourg and has its registered address at 5 Allee Scheffer, Luxembourg L-2520, Luxembourg.

55. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with CBB (BVI)/ The Alkima Fund.

56. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with CBT Gems Low Vol Reg. Upon information and belief, CBT Gems Low Vol Reg is a corporate entity organized under the laws of the Bahamas and has its registered address at One Montague Place 1st Floor, East Bay Street, P.O. Box N-4906, Nassau, Bahamas.

57. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Compagnie Bancaire Helvetique. Upon information and belief, Compagnie Bancaire Helvetique is a corporate entity organized under the laws of Switzerland and has its registered address at Route de Chancy 6B, Case Postale 64, CH-1211 Geneva 8, Switzerland.

58. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Centrum Bank AG (AMS). Upon information and belief, Centrum Bank AG (AMS) is a corporate entity organized under the laws of Liechtenstein and has its registered address at Kirchstrasse 3, Postfach 1168, Vaduz FL 9490, Liechtenstein.

59. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Clariden Leu Ltd. Upon information and belief, Clariden Leu Ltd. is a corporate entity organized under the laws of Switzerland and has its registered address at Bahnhofstrasse 32, CH-8001, Zurich, Switzerland.

60. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Corner Banca SA. Upon information and belief, Corner Banca SA is a corporate entity organized under the laws of Switzerland and has its registered address at Via Canova 16, CH-6901 Lugano, Switzerland.

61. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Credit Suisse AG Zurich. Upon information and belief, Credit Suisse AG Zurich is a

63. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Dresdner Bank Schweiz. Upon information and belief, Dresdner Bank Schweiz is a corporate entity organized under the laws of Liechtenstein and has its registered address at LGT Bank In Liechtenstein AG ex DBS, Herrengasse 12, Vaduz FL-9490, Liechtenstein.

65. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with EFG Eurofinancier D'Invest MCL. Upon information and belief, EFG Eurofinancier D'Invest MCL is a corporate entity organized under the laws of Monaco and has its registered address at Villa les Aigles, 15 Avenue D'Ostenede, Monaco MC 9800.

66. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Endurance Absolute Ltd. Master. Upon information and belief, Endurance Absolute Ltd. Master is a corporate entity organized under the laws of the United Kingdom and has its registered address c/o Argyle Investment Advisors, Iveagh Ltd., 21 Queen Anne's Gate, London SW1H 9BU, United Kingdom.

67. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Fairfield Investment GCI. Upon information and belief, Fairfield Investment GCI is a corporate entity organized under the laws of New York and has as its registered address the Fairfield Greenwich Group, Finance Group, 919 Third Avenue, New York 10022.

68. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Fairfield Investment Fund Ltd. Upon information and belief, Fairfield Investment Fund Ltd. is a corporate entity organized under the laws of New York and has as its registered address the Fairfield Greenwich Group, Finance Group, 919 Third Avenue, New York 10022.

69. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Fairfield Masters Ltd. Upon information and belief Fairfield Masters Ltd. is a corporate entity organized under the laws of New York and has as its registered address the Fairfield Greenwich Group, Finance Group, 919 Third Avenue, New York 10022.

70. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated

72. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with FIF Advanced Ltd. Upon information and belief, FIF Advanced Ltd. is a corporate entity organized under the laws of New York and has as its registered address the Fairfield Greenwich Group, Finance Group, 919 Third Avenue, New York 10022.

74. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Harmony Capital Fund Ltd. Upon information and belief, Harmony Capital Fund Ltd. is a

c/o Jason Capital Partners LLP, 28 Grosvenor Street, London W1K 4QR, United Kingdom.

75. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with IHAG Handelsbank AG. Upon information and belief, IHAG Handelsbank AG is a corporate entity organized under the laws of Switzerland and has as its registered address Bleicherweg 18, 8022- Zurich, Switzerland.

76. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Incore Bank AG. Upon information and belief, Incore Bank AG is a corporate entity organized under the laws of Switzerland and has as its registered address Dreikoenigstr 8, CH-8022 Zurich, Switzerland.

77. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with JP Morgan (Suisse) SA. Upon information and belief, JP Morgan (Suisse) SA is a corporate entity organized under the laws of Switzerland and has as its registered address P.O. Box 5160, Rue de la Confederation 8, CH-1211 Geneva 11, Switzerland.

78. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Karla Multistrategies Ltd. Upon information and belief, Karla Multistrategies Ltd. is a corporate entity organized under the laws of The Netherlands and has as its registered address Naritaweg 165, 1043 BW Amsterdam, The Netherlands.

79. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with KBC Investments Ltd. Upon information and belief, KBC Investments Ltd. is a corporate entity organized under the laws of New York and has as its registered address 140 East 45th Street, 42nd Floor, New York 10017.

80. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with LGT Bank In Liechtenstein AG. Upon information and belief, LGT Bank In Liechtenstein AG is a corporate entity organized under the laws of Liechtenstein and has as its registered address Herrengasse 12, Vaduz FL 9490, Liechtenstein.

81. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Liechtensteinische LB Reinvest AMS. Upon information and belief, Liechtensteinische LB Reinvest AMS is a corporate entity organized under the laws of Liechtenstein and has as its registered address Liechtensteinische Landesbank AG, Staedtle 44, Vaduz FL-9490, Liechtenstein.

82. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Lloyds TSB Bank Geneva. Upon information and belief, Lloyd's TSB Bank Geneva is a corporate entity organized under the laws of Switzerland and has as its registered address Place Bel-Air 1, CH-1211 Geneva 2, Switzerland.

83. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated

85. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Master Capital and Hedge Fund. Upon information and belief, Master Capital and Hedge Fund is a corporate entity organized under the laws of The Netherlands and has its registered address c/o Citco Fund Services Europe BV, Naritaweg 165, 1043 BW Amsterdam, The Netherlands.

87. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Pictet & Cie. Upon information and belief, Pictet & Cie is a corporate entity organized under the laws of Switzerland and has as its registered address Route Des Acacias 60, 1211 Geneva 73, Switzerland.

89. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Private Space Ltd. Upon information and belief, Private Space Ltd is a corporate entity organized under the laws of Monaco and has as its registered address 7 Rue du Gabian, MC 98000, Monaco.

91. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with RBC Dexia Investor Service Julius Baer SICAV. Upon information and belief, RBC Dexia Investor Service Julius Baer SICAV is a corporate entity organized under the laws of Luxembourg and has as its registered address Dexia Fund Services, 69 Route D'Esch, Luxembourg L-2953, Luxembourg.

94. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Rothschild Bank AG Zurich (Dublin) a/k/a Rothschild Bank AG. Upon information and belief, Rothschild Bank AG Zurich (Dublin) a/k/a Rothschild Bank AG is a corporate entity organized under the laws of Switzerland and has as its registered address Zollikerstrasse 181, CH-8034 Zurich, Switzerland.

96. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated

97. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Sella Bank AG. Upon information and belief, Sella Bank AG is a corporate entity organized under the laws of Switzerland and has as its registered address Corso Elvezia 9, CH-6900 Lugano, Switzerland.

98. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with SIS Seeganintersettle. Upon information and belief, SIS Seeganintersettle is a corporate entity organized under the laws of Switzerland and has as its registered address Baslerstrasse 100, CH-4601 Olten, Switzerland.

99. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Six SIS Ltd. Upon information and belief, Six SIS Ltd. is a corporate entity organized under the laws of Switzerland and has as its registered address Baslerstrasse 100, CH-4601 Olten, Switzerland.

100. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with Societe Generale Bank & Trust. Upon information and belief, Societe Generale Bank &

101. Based on Sentry and Sigma records, some or all of the Redemption Payments

102. Based on Sentry and Sigma records, some or all of the Redemption Payments

103. Based on Sentry and Sigma records, some or all of the Redemption Payments

104. Based on Sentry and Sigma records, some or all of the Redemption Payments

106. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with UBS AG New York. Upon information and belief, UBS AG New York is a corporate entity organized under the laws of New York and has as its registered address 101 Park Avenue, New York 10178.

107. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated with UBS AG Zurich. Upon information and belief, UBS AG Zurich is a corporate entity organized under the laws of Switzerland and has as its registered address UBS Wealth Management, Badenerstrasse 574/C, CH-8098 Zurich, Switzerland.

109. Based on Sentry and Sigma records, some or all of the Redemption Payments made to the Citco Defendants may have been paid to an account holder or holders associated

NOTICE PURSUANT TO FED. R. CIV. P. 44.1

FACTUAL ALLEGATIONS

112. Sentry was the largest of all so-called “feeder funds” to maintain accounts with BLMIS. Sigma and Lambda were indirect BLMIS feeder funds established for foreign currency (respectively, Euro and Swiss franc) investment through purchase of shares of Sentry. Sentry’s account statements with BLMIS as of the end of October 2008 showed in excess of \$6 billion of invested assets supposedly held by BLMIS. As stated in its offering materials, Sentry’s investment objective was to achieve capital appreciation through investments in BLMIS.

32

Calculation of Net Asset Value and Shareholder Redemption Payments

114. Substantially all of the money (some 95%) raised by the Funds from the sale of their Shares, net of fees and expenses, was turned over to and invested in BLMIS (by and/or through Sentry), and supposedly credited to accounts held in the name of Sentry with BLMIS, purportedly for use in the now infamous “split-strike conversion” investment strategy. In accordance with the Funds’ Subscription Agreements, Articles of Association, offering materials and/or other relevant documents, from time to time, the Funds paid to shareholders, for each Share tendered for redemption, an amount that was based on each of the respective Funds’ purported Net Asset Value, as it was then calculated.

33

116. In fact, at all relevant times, no securities were ever purchased or sold by BLMIS for Sentry and any stated cash on hand in the accounts was based on misinformation and fictitious account statements. None of the transactions shown on the account statements provided by BLMIS to Sentry ever occurred. Indeed, no investments of any kind were ever made by BLMIS for Sentry. At all relevant times, all of the account statements that BLMIS provided to Sentry were entirely and utterly fictitious. Further, all amounts deposited by Sentry (or by Sigma and Lambda through Sentry) with BLMIS for investment and the purchase of securities to be held by BLMIS for the account of Sentry were used by Madoff to pay other BLMIS investors or were misappropriated by Madoff for other unauthorized uses.

117. From time to time, to make Redemption Payments, Sentry (and Sigma and Lambda through Sentry) made withdrawals from Sentry's BLMIS accounts. The Funds believed that the amounts provided in connection with such withdrawals represented proceeds from the sale or liquidation of securities or investment positions held by BLMIS for the account of Sentry. In fact, however, payments made by BLMIS to Sentry purportedly representing the proceeds of sales of securities or other investment positions were nothing other than the deposits of other BLMIS investors or previous deposits made by Sentry, never invested but rather misused and misappropriated as part of Madoff's fraud. At all relevant times, payments made from BLMIS to Sentry were made by Madoff to continue and perpetuate his Ponzi scheme and avoid detection of his fraud. The payments from BLMIS to Sentry were not payments made in the ordinary course of or as part of any business, nor did they have a legitimate business purpose. Similarly, the Redemption Payments were not made for any legitimate purposes or in the ordinary course of any business.

Redemption Payments Made or Transferred to Defendants

120. The dates and amounts of each Redemption Payment received by the Citco Defendants from Sentry are set forth on Exhibit A. The dates and amounts of each Redemption Payment received by the Citco Defendants from Sigma are set forth on Exhibit B.

122. Upon information and belief, the Citco Defendants and/or the Beneficial Shareholders received Redemption Payments in excess of amounts paid by such person(s) for purchase of their Shares.

123. On December 11, 2008, federal agents arrested Madoff for violation of federal securities laws. On that same day, the United States Attorney brought criminal charges against

125. In March 2009, Madoff pleaded guilty to the criminal charges brought against him. In his plea allocution, Madoff confessed: “for many years up until my arrest on December 11, 2008, I operated a Ponzi scheme through the investment advisory side of my business, Bernard L. Madoff Securities LLC.” As Madoff himself described how the scheme worked:

126. Madoff further confessed to covering up his fraud by fabricating false trade confirmation and account statements:

The Funds' Estates in Liquidation

129. In 2009, the Funds were put into liquidation proceedings in the BVI.

131. On April 21, 2009, ten shareholders applied to the BVI Court for the appointment of a liquidator over Sentry (the “Sentry Proceeding”). The Sentry Proceeding is pending in the BVI Court under claim number BVIHC(COM)2009/136.

37

133. As alleged above, the BVI Court issued orders – the BVI Appointment Orders – appointed the Foreign Representatives as liquidators of the Funds. Pursuant to the BVI Appointment Orders, the Foreign Representatives are responsible for all aspects of the Funds’ business, including protecting, realizing, and distributing assets for the Funds’ estates.

134. The BVI Appointment Orders grant the Liquidators all powers set forth in Section 186, Schedule 2 of the BVI Insolvency Act, including, but not limited to, the following:

- a. to pay any class of creditors in full;
- b. to make a compromise or arrangement with creditors or persons claiming to be creditors, or having or alleging that they have any claim against the Funds, whether present or future, certain or contingent, ascertained or not;
- c. to compromise any claims, debts or liabilities capable of resulting in claims or debts whether present or future, certain or contingent, ascertained or not, between the Funds and any person or entity, and to compromise questions in any way relating to or affecting the assets or the liquidations of the Funds;
- d. to commence, continue, discontinue, or defend any action or other legal proceeding in the name and on behalf of the Funds in the BVI or elsewhere;
- e. to carry on the Funds' business so far as may be necessary for its beneficial liquidation;
- f. to make any compromise or arrangement with creditors or persons claiming to be creditors or having or alleging themselves to have any claim (present or future, certain or contingent, ascertained or sounding only in damages) against the Funds or for which the Funds may be rendered liable;
- g. to compromise on such terms as may be agreed all debts and liabilities capable of resulting in debts, and all claims (present or future, certain or contingent, ascertained or sounding only in damages) subsisting, or supposed to subsist between the Funds and a contributory or alleged contributory or other Funds or person apprehending liability to the Company;
- h. to deal with all questions in any way relating to or affecting the assets or the winding up of the Funds to take any security for the discharge of any

such call, debt, liability or claim and to give a complete discharge in respect of it;

- i. to sell or otherwise dispose of property of the Funds;
- j. to do all acts and execute, in the name and on behalf of the Funds, any deeds, receipts or other documents;
- k. to use the Funds' seal;
- l. to draw, accept, make and endorse any bill of exchange or promissory note in the name and on behalf of the Funds;
- m. to borrow money, whether on the security of assets of the Funds or otherwise;
- n. to take out in an official capacity letters of administration for any deceased member or past member or debtor, or to do any other act necessary for obtaining payment of any money due from a member or past member or debtor;
- o. to call meetings of the creditors or members for (i) the purpose of informing the creditors or members concerning the progress of or other matters arising in the liquidation; (ii) the purpose ascertaining the views of creditors or members on any matter arising in the liquidation; or (iii) such other purposes connected with the liquidation as the liquidators considers fit;
- p. to appoint a solicitor, accountant or other professionally qualified person to assist in the performance of the liquidators' duties;
- q. to appoint an agent to do any business that the liquidators are unable to do themselves, or which can be more conveniently done by an agent;
- r. to apply to the BVI Court for directions concerning any matter arising out of the exercise of any of the liquidators' powers; and
- s. to do all things incidental to any of the liquidators' powers.

135. The Foreign Representatives must seek BVI Court approval before they can exercise any of the first five powers enumerated in the BVI Appointment Orders. *See* BVI Act § 186(3) (“The Court may provide that certain powers may only be exercised with the sanction of the Court.”). The Foreign Representatives may exercise all of the other powers enumerated in the BVI Appointment Orders without prior BVI Court approval.

138. On December 9, 2010, the BVI Court issued an order authorizing the Foreign Representatives to assert claims seeking: (i) a declaration that the Redemption Payments were unfair preferences under Section 245 of the BVI Insolvency Act and were undervalue transactions under Section 246 of the BVI Insolvency Act, and (ii) an order setting aside the Redemption Payments, restoring the Funds to the position that they would have been had the Redemption Payments not been paid and such further and other relief as the Foreign Representatives deem necessary.

139. On December 15, 2008, a trustee was appointed for the liquidation of the BLMIS estate. Proceedings for such liquidation are pending in the Bankruptcy Court for the Southern

Madoff Investment Securities LLC, SIPA Liquidation No. 08-1789 (BRL).

140. On May 18, 2009, the BLMIS Trustee commenced the BLMIS Adversary Proceeding against Sentry and other defendants. In the BLMIS Adversary Proceeding, the BLMIS Trustee seeks to recover approximately \$3.2 billion from the Funds and others on account of transfers that BLMIS allegedly made to Sentry and, through Sentry, to Sigma, Lambda and other persons during the six year period preceding the filing of the BLMIS liquidation proceedings. These transfers are alleged by the BLMIS Trustee to have been preferential transfers under Section 547 of the Bankruptcy Code and/or fraudulent transfers under Sections 544 and 548 of the Bankruptcy Code and applicable state law. The BLMIS Adversary Proceeding is currently pending and the claims asserted therein are unresolved.

141. At present, without recovery of Redemption Payments made to shareholders, the Funds' assets are not sufficient to satisfy contingent and non-contingent liabilities of the Funds' estates, including payments that could be due and owing to the BLMIS Trustee for distribution to Madoff victims in the BLMIS liquidation proceedings. The Redemption Payments that were made to Defendants were mistaken payments and avoidable transactions, and generally represent assets of Sentry and Sigma's estates that Defendants are not entitled to keep.

FIRST CLAIM
(Unjust Enrichment- Against the Citco Defendants)

142. Sentry and Sigma (acting by the Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma) repeat and allege again the allegations contained in paragraphs 1 through 141 above as if set forth herein.

143. As alleged above, to the extent amounts were withdrawn from BLMIS to make Redemption Payments to the Citco Defendants, each of such payments consisted of monies

145. Upon information and belief, the Citco Defendants received and retained Redemption Payments in excess of amounts paid by them for the purchase of Shares of and in Sentry and Sigma.

147. It would offend principles of equity and good conscience to permit the Citco Defendants to retain the Redemption Payments they received from Sentry and Sigma.

SECOND CLAIM
(Unjust Enrichment- Against Beneficial Shareholders)

42

150. Upon information and belief, the Citco Defendants may have subscribed to all or some portion of the Shares issued to them under the Subscription Agreements in the capacity of trustee, agent, representative, or nominee for Beneficial Shareholders.

151. Upon information and belief, the Citco Defendants may have paid to or credited some or all of the Redemptions Payments received by them from Sentry and Sigma to accounts of Beneficial Shareholders. As alleged above, to the extent amounts were withdrawn from BLMIS to make Redemption Payments to the Citco Defendants, each of such payments consisted of monies deposited with BLMIS for investment, but never invested and instead misappropriated as part of Madoff's fraud. The source of these Redemption Payments was not, as Sentry and Sigma mistakenly believed, proceeds from the sale of securities or investments held by BLMIS for the account of Sentry.

152. The Beneficial Shareholders did not provide valuable consideration to Sentry and Sigma in exchange for any portion of any of the Redemption Payments received by them.

153. Upon information and belief, some or all of the Beneficial Shareholders received and retained Redemption Payments in excess of amounts paid by them for the purchase of Shares.

154. To the extent that a Beneficial Shareholder received any portion of the Redemption Payments paid to the Citco Defendants in their capacity as trustee, agent, representative, or nominee for a Beneficial Shareholder, such Beneficial Shareholder has been unjustly enriched to the detriment of Sentry and Sigma and other shareholders and creditors of Sentry and Sigma.

155. It would offend principles of equity and good conscience to permit any Beneficial Shareholders to retain the Redemption Payments made by Sentry and Sigma.

157. Sentry and Sigma (acting by the Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma) repeat and allege again the allegations contained in paragraphs 1 through 156 above as if set forth herein.

159. The Citco Defendants did not provide valuable consideration to Sentry and Sigma in exchange for each of the Redemption Payments received by them.

161. By reason of its receipt of monies representing the deposits of other BLMIS investors or previous deposits made by Sentry with BLMIS, never invested but rather misused and misappropriated as part of Madoff's fraud, the Citco Defendants have been unjustly enriched to the detriment of Sentry and Sigma and other shareholders and creditors of Sentry and Sigma.

162. Furthermore, the Citco Defendants were not entitled to receive the Redemption Payments because the amounts of each of the Redemption Payments was based on a miscalculated and inflated Net Asset Value, which caused the payment received by the Citco Defendants for their redemption of Shares to be in excess of the actual Net Asset Value of such Shares.

163. To the extent that Redemption Payments are not recovered by the Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma, the loss will be disproportionately and unjustly borne by Sentry and Sigma and other shareholders and creditors of Sentry and Sigma.

164. It would offend principles of equity and good conscience to permit the Citco Defendants to retain the Redemption Payments they received from Sentry and Sigma.

165. The Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma, are entitled to recover from the Citco Defendants an amount equal to the Redemption Payments received by them from Sentry and Sigma.

FOURTH CLAIM
(Money Had and Received-Against Beneficial Shareholders)

166. Sentry and Sigma (acting by the Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma) repeat and allege again the allegations contained in paragraphs 1 through 165 above as if set forth herein.

167. Upon information and belief, the Citco Defendants may have subscribed to all or some portion of the Shares issued to them under the Subscription Agreements in the capacity of trustee, agent, representative, or nominee for Beneficial Shareholders.

168. Upon information and belief, the Citco Defendants may have paid to or credited some or all of the Redemptions Payments received by them to accounts of Beneficial

170. Upon information and belief, some or all of the Beneficial Shareholders received and retained Redemption Payments in excess of amounts paid by them for the purchase of Shares.

172. Furthermore, Beneficial Shareholders were not entitled to receive any portion of the Redemption Payments paid to the Citco Defendants upon the redemption of Shares issued to them in their capacity as trustee, agent, representative, or nominee for Beneficial Shareholders because the amounts transferred by Sentry with respect to each of the Redemption Payments was based on a miscalculated and inflated Net Asset Value, which caused the payment received for redemption of Shares to be in excess of the actual Net Asset Value of such Shares.

175. The Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma, are entitled to recover from Beneficial Shareholders an amount equal to any portion of any Redemption Payments received by them.

176. Sentry and Sigma (acting by the Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma) repeat and allege again the allegations contained in paragraphs 1 through 175 above as if set forth herein.

178. Upon information and belief, however, BLMIS did not hold any securities or interests of securities on account for Sentry and the payments made by BLMIS to Sentry to fund Redemption Payments to the Citco Defendants represented, in fact, money deposited with BLMIS by other BLMIS investors or previous deposits made by Sentry with BLMIS, never invested but rather misused and misappropriated as part of Madoff's fraud.

179. The Redemption Payments, while benefiting the Citco Defendants, were made to the detriment of Sentry and Sigma and other shareholders and creditors of Sentry and Sigma.

180. Additionally, the Citco Defendants were not entitled to receive the Redemption Payments because, as was unknown to Sentry and Sigma, the amounts transferred with respect to each of the Redemption Payments was based on a miscalculated and inflated Net Asset Value, which caused the payment received by the Citco Defendants for their redemption of Shares to be in excess of the actual Net Asset Value of such Shares. In these circumstances, the Redemption Payments should be returned for the benefit of Sentry and Sigma, their creditors and the current holders of Shares in Sentry and Sigma.

181. The Citco Defendants did not provide valuable consideration to Sentry and Sigma in exchange for each of the Redemption Payments received by them.

182. Upon information and belief, the Citco Defendants received and retained Redemption Payments in excess of amounts paid by them for the purchase of Shares.

183. To the extent the Redemption Payments are not recovered by the Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma, the loss will be disproportionately and unjustly borne by Sentry and Sigma and other shareholders and creditors of Sentry and Sigma.

184. It would thus offend principles of equity and good conscience to permit the Citco Defendants to retain the Redemption Payments.

185. The Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma, are entitled to recover from the Citco Defendants a sum in an amount equal to the Redemption Payments received by them from Sentry and Sigma.

(Mistaken Payment-Against Beneficial Shareholders)

186. Sentry and Sigma (acting by the Foreign Representatives, in their capacities as liquidators of Sentry and Sigma and on behalf of Sentry and Sigma) repeat and allege again the allegations contained in paragraphs 1 through 185 above as if set forth herein.

187. As described above, Sentry and Sigma made each of the Redemption Payments to the Citco Defendants under the mistaken belief that the amounts paid to the Citco Defendants represented the proceeds of the sale of securities and investments held for Sentry in accounts established with BLMIS.

188. However, upon information and belief, BLMIS did not hold any securities or interests of securities on account for Sentry and the payments made by BLMIS to Sentry to fund Redemption Payments to the Citco Defendants represented, in fact, money deposited with BLMIS by other BLMIS investors or previous deposits made by Sentry with BLMIS, never invested but rather misused and misappropriated as part of Madoff's fraud.

189. Upon information and belief, the Citco Defendants may have paid to or credited some or all of the Redemption Payments received by them to accounts of Beneficial Shareholders. As alleged above, to the extent amounts were withdrawn from BLMIS to make Redemption Payments to the Citco Defendants, each of such payments consisted of monies deposited with BLMIS for investment, but never invested and instead misappropriated as part of Madoff's fraud. The source of these Redemption Payments was not, as Sentry and Sigma mistakenly believed, proceeds from the sale of securities or investments held by BLMIS for the account of Sentry.

190. Additionally, Beneficial Shareholders were not entitled to receive any portion of the Redemption Payments received by the Citco Defendants upon the redemption of Shares

192. Upon information and belief, some or all of the Beneficial Shareholders received and retained Redemption Payments in excess of amounts paid by them for the purchase of Shares.

194. It would thus offend principles of equity and good conscience to permit any Beneficial Shareholder to retain the Redemption Payments.

SEVENTH CLAIM
(Constructive Trust-Against all Defendants)

50

199. Upon information and belief, the Citco Defendants may have paid some or all of the Redemptions Payments they received to Beneficial Shareholders.

201. Furthermore, Defendants were not entitled to receive the Redemption Payments because the amounts transferred with respect to each of the Redemption Payments was based on a miscalculated and inflated Net Asset Value, which caused the payment received by the Citco Defendants for their redemption of Shares to be in excess of the actual Net Asset Value of such Shares.

203. By reason of the foregoing, a constructive trust should be imposed on the Redemption Payments that were received by Defendants from Sentry and Sigma for the benefit

207. The BVI Insolvency Act further defines an “insolvency transaction” as a transaction that: “(a) is entered into at a time when the company is insolvent; or (b) ...causes the company to become insolvent.” BVI Insolvency Act, § 244.

208. A company is “insolvent” under the BVI Insolvency Act if: “(c) either (i) the value of the company’s liabilities exceeds its assets, or (ii) the company is unable to pay its debts as they fall due.” BVI Insolvency Act, § 8.

209. For purposes of Section 245 of the BVI Insolvency Act, “vulnerability period” means “in the case of a transaction entered into with, or a preference given to, a connected person, the period commencing two years prior to the onset of insolvency and ending on the appointment of the administrator or, if the company is in liquidation, the liquidator”

210. The “onset of insolvency” is defined as: “the date on which the application for the appointment of the liquidator was filed.” BVI Insolvency Act, § 244(1). Thus, the vulnerability period, for each of the Funds, commences the two-year period prior to the application for the appointment of Liquidators for each Fund and ends on the date of the appointment of the liquidators of each Fund.

211. A “connected person” is:

(1) ...one or more of the following

(a) a promoter of the company;

(b) a director or *member of the company* or of a related company;

(c) a beneficiary under a trust of which the company is or has been a trustee;

(d) a related company;

(e) another company one of whose directors is also a director of the company;

(f) a nominee, relative, spouse or relative of a spouse of a person referred to in paragraphs (a) to (c);

212. Redemption Payments aggregating \$12,718,111.47 were made by Sentry to the Citco Defendants during the two-year period prior to the application for appointment of the Liquidators of Sentry in the BVI Liquidation Proceedings (the “Sentry Vulnerability Period”).

214. Each of the Redemption Payments made during the Sentry Vulnerability Periods (“Vulnerability Period Payments”) was an “insolvency transaction” within the meaning of Section 245 of the BVI Insolvency Act.

216. Each of the Vulnerability Period Payments put the Citco Defendants in a better position than it would have been in had such Payment not been made.

54

224. To the extent that any money that the Citco Defendants received in connection with the Vulnerability Period Payments was transferred to Beneficial Shareholders, the Foreign Representatives, in their capacities as Foreign Representatives and Liquidators of Sentry, are entitled to avoid and set aside such further transfer by the Citco Defendants to the Beneficial Shareholders and to recover from the Beneficial Shareholders an amount equal to any portion of any Vulnerability Period Payments received by them.

225. The Foreign Representatives, in their capacities as Foreign Representatives and liquidators of Sentry, repeats and alleges again the allegations contained in paragraphs 1 through 224 above as if set forth herein.

(1) Subject to subsection (2), a company enters into an undervalue transaction with a person if (a) the company makes a gift to that person or otherwise enters into a transaction with that person on terms that provide for the company to receive no consideration; or (b) the company enters into a transaction with that person for a consideration the value of which, in money or money's worth, is significantly less than the value, in money or money's worth, of the consideration provided by the company; and (c) in either case, the transaction concerned (i) is an insolvency transaction; and (ii) is entered into within the vulnerability period.

(2) A company does not enter into an undervalue transaction with a person if (a) the company enters into the transaction in good faith and for the purposes of its business; and (b) at the time when it enters into the transaction, there were reasonable grounds for believing that the transaction would benefit the company.

(3) A transaction may be an undervalue transaction notwithstanding that it is entered into pursuant to the order of a court or tribunal in or outside the Virgin Islands.

(4) Where a company enters into a transaction with a connected person within the vulnerability period and the transaction falls within subsection (1)(a) or subsection (1)(b), unless the contrary is proved, it is presumed that (a) the transaction was an insolvency transaction; and (b) subsection (2) did not apply to the transaction.

227. During the Sentry Vulnerability Period, all assets purportedly held by BLMIS for Sentry and other investors were non-existent, and Sentry was insolvent or rendered insolvent by the Vulnerability Period Payments. Thus, each of the Vulnerability Period Payments qualifies as an “insolvency transaction” within the meaning of Section 244 of the BVI Insolvency Act and for purposes of Section 246 of the BVI Insolvency Act.

228. Sentry received no consideration for any of the Vulnerability Period Payments, or in the alternative, Sentry received, for each Vulnerability Period Payment, consideration, the value of which, in money or money's worth, was significantly less than the value, in money or money's worth, of the consideration provided by Sentry to the Citco Defendants for each of the Vulnerability Period Payments.

229. The Citco Defendants were shareholders (i.e., members) of Sentry during the Vulnerability Period and was, accordingly, a “connected person” as defined in the BVI Insolvency Act.

230. Because the Citco Defendants were a “connected person” as defined in the BVI Insolvency Act, there is a statutory presumption that the Vulnerability Period Payments were “insolvency transactions” and, “did not take place in the ordinary course of business.” Further,

ELEVENTH CLAIM
*(Undervalue Transaction Pursuant to Section 246 of the
BVI Insolvency Act - Against Beneficial Shareholders)*

233. Upon information and belief, the Citco Defendants may have subscribed to all or some portion of the Shares issued to them under the Subscription Agreement in the capacity of trustee, agent, representative, or nominee for Beneficial Shareholders.

235. To the extent that any money that the Citco Defendants received in connection with the Vulnerability Period Payments was transferred to Beneficial Shareholders, the Foreign Representatives, in their capacities as Foreign Representatives and liquidators of Sentry, are

WHEREFORE, the Plaintiffs respectfully request the following relief:

B. On the Second, Fourth and Sixth Claims, judgment in favor of Plaintiffs and against Beneficial Shareholders allowing the Plaintiffs to recover an amount equal to any portion of any Redemption Payments received by Beneficial Shareholders, plus interest;

D. On the Eighth and Ninth Claims:

- #### E. On the Tenth and Eleventh Claims:

- 59

Payments made during the vulnerability period constitute Undervalue Transactions under Section 246 of the BVI Insolvency Act;

- b. judgment pursuant to Section 249 of the BVI Insolvency Act, setting aside and avoiding the Redemption Payments made during the vulnerability period; and
- c. judgment pursuant to Section 249 of the BVI Insolvency Act against the Citco Defendants and the Beneficial Holders in the amount of the avoided Redemption Payments received by them or for their benefit, plus interest.

F. Awarding Plaintiffs the costs and disbursements of the action, including reasonable attorneys' fees and accountants' and experts' fees, costs and expenses;

G. Granting Plaintiffs such other and further relief as the Court deems just and proper.

Dated: New York, New York
January 10, 2011

BROWN RUDNICK LLP

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EXHIBIT A

***Redemption Payments Received by Defendants from Sentry
From April 21, 2004 Through November 19, 2008***

<u>Payment Date</u>	<u>Redemption Payment</u>	<u>No. of Shares</u>
April 21, 2004	\$325,094.34	334.37
April 21, 2004	\$10,937,878.23	11249.96
July 16, 2004	\$147,542.37	148.21
August 13, 2004	\$25,000.00	25.09
October 19, 2004	\$415,708.68	409.61
November 16, 2004	\$304,550.25	300
December 13, 2004	\$53,962.38	52.74
February 16, 2005	\$25,771.59	25
February 16, 2005	\$68,191.63	66.15
March 15, 2005	\$105,977.66	102.43
April 14, 2005	\$152,343.04	146
May 13, 2005	\$168,857.07	161.6
June 15, 2005	\$44,698.16	42.51
June 15, 2005	\$566,376.42	538.65
June 15, 2005	\$1,572,836.72	1495.84
July 15, 2005	\$1,354,042.63	1281.8
September 15, 2005	\$2,690.99	2.54
September 15, 2005	\$4,237.78	4
September 15, 2005	\$55,875.10	52.74
November 17, 2005	\$584,991.41	538.65
December 19, 2005	\$319,381.83	291.89
December 19, 2005	\$792,989.13	724.73
December 19, 2005	\$113,554.58	103.78
January 19, 2006	\$1,495,058.15	1359.05
January 19, 2006	\$179,411.38	163.09
January 19, 2006	\$1,026,975.86	933.55
February 15, 2006	\$2,922,356.34	2638.07
March 17, 2006	\$4,786,139.73	4312.08
May 15, 2006	\$1,202,873.58	1059.75
May 15, 2006	\$505,712.00	445.54
May 15, 2006	\$258,054.55	227.35
June 16, 2006	\$2,191,799.23	1917.54
July 20, 2006	\$628,887.98	547.41

***Redemption Payments Received by Defendants from Sentry
From April 21, 2004 Through November 19, 2008***

August 14, 2006	\$56,114.50	48.33
August 14, 2006	\$1,131,137.32	974.22
September 14, 2006	\$921,808.37	787.87
November 14, 2006	\$205,295.78	173.55
December 15, 2006	\$129,720.13	108.73
January 16, 2007	\$380,529.93	316.25
February 15, 2007	\$688,899.70	570.89
March 16, 2007	\$969,525.04	804.35
April 17, 2007	\$138,405.76	112.97
April 17, 2007	\$231,284.76	188.78
April 17, 2007	\$306,288.75	250
April 17, 2007	\$329,958.74	269.32
May 16, 2007	\$2,721,854.12*	2200.18
June 15, 2007	\$268,180.77*	215.04
July 19, 2007	\$42,948.49*	34.32
August 17, 2007	\$277,224.68*	221.16
August 17, 2007	\$407,689.25*	325.24
September 19, 2007	\$410,137.62*	326.18
October 16, 2007	\$322,120.87*	253.7312
November 19, 2007	\$407,022.51*	319.1359
December 19, 2007	\$34,149.12*	26.5
December 19, 2007	\$69,586.89*	54
December 19, 2007	\$732,517.99*	568.44
January 17, 2008	\$297,807.14*	230.57
January 17, 2008	\$297,807.14*	230.57
February 15, 2008	\$185,374.88*	142.6245
February 15, 2008	\$190,048.10*	146.22
March 18, 2008	\$220,396.47*	169.46
April 14, 2008	\$342,904.8*	263.17
May 15, 2008	\$700,000.00*	532.2994
June 17, 2008	\$484,617.93*	365.55
June 17, 2008	\$3,318,920.26*	2503.48
July 15, 2008	\$73,811.84*	55.71
August 18, 2008	\$66,720.16*	50

EXHIBIT B

All \$USD amounts are based on the exchange rate as of the date of the Redemption Period. However, upon application of a different exchange rate, as may be required by applicable law, the amount of damages may be different.